



United States
Department of
Agriculture

Farmers
Home
Administration

FmHA AN No. 967 (1955)
Washington
D.C.
20250

January 27, 1984

SUBJECT: Contracting for Investigation of Unauthorized
Disposition of Chattel Security

TO: All State Directors, FmHA

In accordance with FmHA Instruction 2024-A, the following purchasing authorization with power to redelegate to qualified FmHA State Office employees is delegated to FmHA State Directors:

Amount
\$10,000

Purpose
Services for the investigation
of unauthorized disposition of
chattel security

On exercising this authority, State Directors may authorize the use of contracts with qualified private contractors in accordance with the terms and conditions of 41 CFR 1-3.6, 41 CFR 4-3.6 and FmHA Instruction 1955-D. Qualified individuals including retired law enforcement officials, brand inspectors and detectives may be utilized to investigate, locate and report facts relating to the unauthorized disposition of FmHA chattel security. Former USDA or FmHA employees may also be used to perform these services; however, all proposed contracts estimated to exceed \$500 with former USDA employees who have left the Department within 3 years immediately preceding the date of the solicitation shall be forwarded to the Director, Directives and Administrative Services Division, National Office, for approval by the Secretary's Office. State Offices need not submit such contracts with former employees if the contractor was the low offeror under a solicitation where competition was limited to small businesses.

The decision to use contractors, and the number of contracts to be awarded, will be made by the State Director after the following determinations have been made:

1. The value of converted security is substantially greater than the estimated cost of investigation and recovery; or the interests of FmHA would be adversely affected if an investigation were not carried out regardless of the security involved.

2. No criminal action has been recommended nor is the case being processed for referral to the Office of Inspector General (OIG). All cases involving alleged criminal acts will be referred to OIG who will either schedule an investigation or will return the case to FmHA with a recommendation that administrative action be taken. Administrative action can include the use of private contractors.

EXPIRATION DATE: January 31, 1985

FILING INSTRUCTIONS:
Preceding FmHA Instruction
1955-D



Farmers Home Administration is an Equal Opportunity Lender.
Complaints of discrimination should be sent to:
Secretary of Agriculture, Washington, D.C. 20250

3. When the borrower's case is in the hands of the U.S. Attorney as a civil matter, the State Director will obtain the U.S. Attorney's concurrence through the Regional Office of the General Counsel (OGC) before engaging a private investigator.

4. The private contractor will confine the scope of the investigation to obtaining, completing and delivering the information requested on the Claims Collection Litigation Report and on Form FmHA 455-2, "Evidence of Conversion." When evidence of fraud is indicated, the contractors will immediately cease the investigation and report the facts to the Contracting Officer Representative (COR) for referral to OIG. Examples of fraud include:

a. Borrowers who used name other than their own when selling mortgaged chattels.

b. Borrowers who pledged chattels they did not own as security.

c. Borrowers who forged or otherwise altered official documents such as bills of sale, purchase invoices, etc.

Once it has been decided to use a contractor, the contracting officer will make sure that contractors meet the following criteria:

1. Ability to investigate, collect evidence and prepare an acceptable investigation report necessary to bring a civil suit.

2. Familiarity with the local agriculture and area.

3. Licensed to do business in the State if the State requires licensing.

4. Either 2 years public or private law enforcement or investigative experience or training or 2 years experience servicing loans secured by chattel property..

Procurement of these services and administration of resulting contracts will be handled in the State Office in accordance with FmHA Instruction 1955-D. Procurement of these services is subject to the Federal Procurement Regulations, 41 CFR Chapters 1 and 4, requiring competition in soliciting contractors and setting aside contracts under \$10,000 for competition by small business concerns. Requirements aggregating more than \$10,000 shall not be broken down into several purchases which are less than \$10,000 for the purpose of utilizing small purchase procedures.

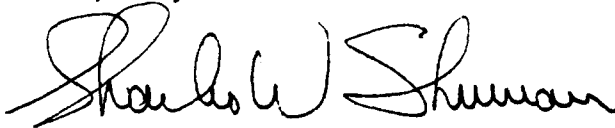
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The Contracting Officer will prepare and submit an annual report for the fiscal year by November 30 of each year consisting of a brief summary of all investigations performed by each contractor. The summary will contain the following information:

1. Number of investigations conducted.
2. Hours spent per case.
3. Cost per case.
4. Number of cases referred to OIG and accepted.
5. Reasons why OIG rejected request.
6. Amounts collected as a result of the investigation.

The report will then be forwarded to the Administrator, attention: Jim Decker, Farm Real Estate and Production Division.

The attached solicitation is the prescribed format to be adapted, as needed, in your State.

A handwritten signature in cursive script, reading "Charles W. Shuman".

CHARLES W. SHUMAN
Administrator

Attachment

Contracting Officer, together with full information as to the application and accrual of such wages and fringe benefits, including any prospective increases, to service employees engaged in work on the contract, and a copy of the collective bargaining agreement. Such report shall be made upon commencing performance of the contract. In the case of collective bargaining agreements effective at such time and in the case of such agreements or provisions or amendments thereof effective at a later time during the period of contract performance, such agreements shall be reported promptly after negotiation thereof.

(n) *Regulations incorporated by reference.* All interpretations of the Service Contract Act of 1965 expressed in 29 CFR Part 4, Subpart C, are hereby incorporated by reference in this contract.

(o) *Exemptions.* This clause relating to the Service Contract Act of 1965 shall not apply to the following:

(1) Any contract of the United States or District of Columbia for construction, alteration, and/or repair, including painting and decorating of public buildings or public works.

(2) Any work required to be done in accordance with the provisions of the Walsh-Healey Public Contracts Act (41 U.S.C. 35-45).

(3) Any contract for the carriage of freight or personnel by vessel, airplane, bus, truck, express, railway line, or oil or gas pipeline where published tariff rates are in effect, or where such carriage is subject to rates covered by section 23 of the Interstate Commerce Act.

(4) Any contract for the furnishing of services by radio, telephone, telegraph, or cable companies, subject to the Communications Act of 1934.

(5) Any contract for public utility services, including electric light and power, water, steam, or gas.

(6) Any employment contract providing for direct services to a Federal agency by an individual or individuals.

(7) Any contract with the Post Office Department (U.S. Postal Service), the principal purpose of which is the operation of postal contract stations.

(8) Any services to be furnished outside the United States. For geographic purposes, the "United States" is defined in section 8(d) of the Service Contract Act of 1965 to include any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Outer Continental Shelf lands, as defined in the Outer Continental Shelf Lands Act, American Samoa, Guam, Wake Island, Eniwetok Atoll, Kwajalein Atoll, Johnston Island, and Canton Island. It does not include any other territory under the jurisdiction of the United States or any United States base or possession within a foreign country.

(9) Any of the following contracts exempted from all provisions of the Service Contract Act of 1965, pursuant to section 4(b) of the Act, which exemptions the Secretary of Labor, prior to amendment of such section

by Pub. L. 82-473, found to be necessary and proper in the public interest or to avoid serious impairment of the conduct of Government business.

(10) Contracts entered into by the United States with common carriers for the carriage of mail by rail, air (except air star routes), bus, and ocean vessel, where such carriage is performed on regularly scheduled runs of the trains, airplanes, buses, and vessels over regularly established routes and accounts for an insubstantial portion of the revenue therefrom.

(11) Any contract entered into by the U.S. Postal Service with an individual owner-operator for mail service where it is not contemplated at the time the contract is made that such owner-operator will hire any service employee to perform the services under the contract except for short periods of vacation time or for unexpected contingencies or emergency situations such as illness or accident.

(p) *Special employees.* Notwithstanding any of the provisions in paragraphs (a) through (n) of this clause relating to the Service Contract Act of 1965, the following employees may be employed in accordance with the following variations, tolerances, and exemptions, which the Secretary of Labor, pursuant to section 4(b) of the Act prior to its amendment by Pub. L. 82-473, found to be necessary and proper in the public interest or to avoid serious impairment of the conduct of Government business:

(1)(X) Apprentices, student-learners, and workers whose earning capacity is impaired by age, physical, or mental deficiency or injury may be employed at wages lower than the minimum wages otherwise required by section 2(a)(1) or 2 (b)(1) of the Service Contract Act of 1965, without diminishing any fringe benefits or cash payments in lieu thereof required under section 2(a)(2) of that Act, in accordance with the procedures prescribed for the employment of apprentices, student-learners, handicapped persons, and handicapped clients of sheltered workshops under section 14 of the Fair Labor Standards Act of 1938, (29 U.S.C. 261 et seq.) in the regulations issued by the Administrator (29 CFR Parts 520, 521, 524, and 525).

(2) The Administrator will issue certificates under the Service Contract Act of 1965 for the employment of apprentices, student-learners, handicapped persons, or handicapped clients of sheltered workshops not subject to the Fair Labor Standards Act of 1938 or subject to different minimum rates of pay under the two Acts, authorizing appropriate rates of minimum wages (but without changing requirements concerning fringe benefits or supplementary cash payments in lieu thereof), applying procedures prescribed by the applicable regulations issued under the Fair Labor Standards Act of 1938 (29 CFR Parts 520, 521, 524, and 525).

(3) The Administrator will also withdraw, annul, or cancel such certificates in accordance with the regulations in Parts 525 and

§28 of Title 29 of the Code of Federal Regulations.

(2) An employee engaged in an occupation in which he customarily and regularly receives more than \$30 a month in tips may have the amount of his tips credited by his employer against the minimum wage required by section 2(a)(1) or section 2(b)(1) of the Act, in accordance with the regulations in 29 CFR Part 531. Provided, however,

or, That the amount of such credit may not exceed \$1.325 per hour beginning January 1, 1978, \$1.305 per hour beginning January 1, 1979, \$1.24 per hour beginning January 1, 1980 and \$1.34 per hour after December 31, 1980. If the employer pays in full cents the \$1.325 figure must be rounded down to \$1.32 and the \$1.305 figure to \$1.30, in order that the employer will not be crediting more than the permissible percentage.

(3) Any contract for the carriage of freight or personnel by vessel, airplane, bus, coach, express, railway line, or all or any pipeline where published tariff rates are in effect, or where such carriage is subject to rates covered by section 22 of the Interstate Commerce Act;

(4) Any contract for the furnishing of services by radio, telephone, telegraph, or cable companies, subject to the Communications Act of 1934;

(5) Any contract for public utility services, including electric light and power, water, steam, or gas;

(6) Any employment contract providing for direct services to a Federal agency by an individual or individuals;

(7) Any contract with the Post Office Department (U.S. Postal Service), the principal purpose of which is the operation of postal contract stations;

(8) Any services to be furnished outside the United States. For geographic purposes, the "United States" is defined in section 8(d) of the Service Contract Act of 1945 to include any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Outer Continental Shelf lands, as defined in the Outer Continental Shelf Lands Act, American Samoa, Guam, Wake Island, Johnston Atoll, Rapa Nui Atoll, Johnston Island, and Christmas Island. It does not include any other territory under the jurisdiction of the United States or any United States base or possession within a foreign country;

(9) Any of the following contracts exempt from all provisions of the Service Contract Act of 1945, pursuant to section 4(b) of the Act, which exempts the Secretary of Labor, prior to amendment of such section on Feb. 1, 1977, found to be necessary and proper in the public interest or to avoid serious impairment of the conduct of Government business:

(1) Contracts entered into by the United States with common carriers for the carriage of mail by rail, air (except air over routes), bus, and coast vessel, where such carriage is performed on regularly scheduled runs of the trains, airplanes, buses, and vessels over regularly established routes and accounts for an insubstantial portion of the business therefrom;

(2) Any contract entered into by the U.S. Postal Service with an individual owner-operator for mail service where it is not contemplated at the time the contract is made that such owner-operator will hire any service employee to perform the services under the contract except for short periods of vacation time or for unexpected contingencies or emergency situations such as illness or accident.

UNITED STATES DEPARTMENT OF AGRICULTURE
EMPLOYMENT OF THE HANDICAPPED

(The following clause is applicable to all contracts or purchase orders of \$2,500 or more, as required by the regulations of the Secretary of Labor.)

(a) The contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

(b) The contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Rehabilitation Act of 1973, as amended.

(c) In the event of the contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations and relevant orders of the Secretary of Labor issued pursuant to the Act.

(d) The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, Office of Federal Contract Compliance Programs, Department of Labor, provided by or through the contracting officer. Such notices shall state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.

(e) The contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the contractor is bound by the terms of section 503 of the Act and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.

(f) The contractor will include the provisions of this clause in every subcontract or purchase order of \$2,500 or more unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the Director, Office of Federal Contract Compliance Programs, may direct to enforce such provisions, including action for noncompliance.

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SOLICITATION, QUOTATION, PURCHASE ORDER CONTINUATION SHEET NO. 1

ISSUING OFFICE AND RECEIVING OFFICE	2. CASE NUMBER	3. DATE OF SOLICITATION
	4. ADVICE NUMBER	5. SOLICITATION NUMBER

ADMINISTRATIVE AND CONTRACTURAL REQUIREMENTS

A. Background Information. Upon occasion, FmHA finds it necessary to secure the services of private contractors, detectives, retired FmHA employees or other qualified individuals to investigate, locate and report facts relating to the unauthorized disposition of FmHA chattel security. For routine cases, no criminal action has been recommended nor is the case being processed for referral to the Office of Inspector General. All cases involving alleged criminal acts will be referred to OIG who will either schedule an investigation or will return the case to FmHA with a recommendation that administrative action be taken. Administrative action can include the use of private contractors. When the borrower's case is in the hands of the U.S. Attorney as a civil matter, the State Director will obtain the U.S. Attorney's concurrence before engaging a private contractor, and the private contractor will be so notified in writing. The private contractor will confine the scope of the investigation to obtaining, completing, and delivering the information requested on Form 455-2, "Evidence of Conversion." When evidence of fraud is indicated, the contractor will immediately cease the investigation and report the facts to the COR for referral to OIG. Examples of fraud include:

1. Borrowers who used names other than their own when selling mortgaged chattels.
2. Borrowers who pledged chattels they did not own as security.
3. Borrowers who forged or otherwise altered official documents such as bills of sale, purchase invoices, etc.

B. Qualifications of Suppliers: Responses are solicited only from prospective suppliers who have had not less than 2 years recent experience in law enforcement type of investigative work or servicing of farm loans including farm production loans. The qualification requirements of a prospective supplier shall extend to all members of supplier's organization who are proposed in professional capacities. These requirements do not apply to persons employed in an apprentice or learning capacity by the supplier, but would be applicable to those supplier employees designated as fully trained. The prospective supplier will submit, as Exhibit E to be attached to this proposal, a narrative statement and any additional supporting material to include two references for whom like services have been performed to show that he possesses the following qualifications:

1. Is familiar with the geography, farms and farm businesses in the area, and
2. Is licensed to do business in the State, if the State requires licensing, and
3. (a) Has 2 years public or private law enforcement or investigative experience or training, or (b) has 2 years experience servicing loans secured by chattel security, and

SOLICITATION, QUOTATION, PURCHASE ORDER CONTINUATION SHEET NO.

2

1. ISSUING OFFICE AND RECEIVING OFFICE	2. CASE NUMBER	3. DATE OF SOLICITATION
	4. ADVISE NUMBER	5. SOLICITATION NUMBER

4. Has the business and technical organization, financial resources and facilities to perform the work.

C. Award of Contract.

1. Award of contract will be made to one or more responsible supplier(s) whose quotation for daily professional fee, conforming to the solicitation, is most advantageous to FmHA, price and other factors considered. (ENTER DAILY RATE PROFESSIONAL FEE QUOTATION IN BLOCK 5b OF FORM FmHA 120-10)

2. FmHA may, when in its interest, reject any or all quotations or waive any informality in responses received.

D. Contract Payments.

1. Contract payments will include the following:

a. Professional Fee to nearest 1/2 day, and

b. Mileage—Mileage for use of a privately owned vehicle at the rate of 20¢ per mile will be paid from the County Office to conduct official business. Mileage will be allowed from other points of beginning and ending only when the travel distance claimed is equal or less than that figured from the County Office, and

c. Per Diem—

When in travel status, Contractor will receive per diem (food and lodging) in accordance with Federal Travel Regulations and USDA Regulations in 7 AR Chapter 4, "Traveling Expenses." All other costs and expenses; e.g., clerical, supplies, automobile repairs, are contractor expenses and not reimbursable, and

d. Telephone Tolls—

Contractor will be reimbursed for telephone tolls needed for conducting official business.

2. Payments will be made once monthly based upon acceptance of work and after receipt of the Contractor's invoices. Invoices, in substantially the same format as shown at Exhibit C for each case (account), will be submitted together with the completed report as outlined in the Statement of Work (Specifications).

E. Conditions Affecting the Work. Prospective suppliers should visit at least one of the FmHA County Offices for which this solicitation is being made. Prospective suppliers should take such other steps as may be reasonably necessary to ascertain the nature and location of the work, and the general and local conditions which can affect the work or the cost thereof. Failure to do so will not relieve suppliers from responsibility for estimating properly the difficulty of cost of successfully performing the work. The Government will assume no responsibility for any understanding or representations concerning conditions made by any of its officers or agents prior to the execution of the

SOLICITATION, QUOTATION, PURCHASE ORDER CONTINUATION SHEET NO.

1. ISSUING OFFICE AND RECEIVING OFFICE	2. OFFER NUMBER	3. DATE OF SOLICITATION
	4. ADVISE NUMBER	5. SOLICITATION NUMBER

contract, unless included in the solicitations, the specifications, or related documents. During normal business hours, appointments may be made to inspect examples of FmHA forms, regulations and instructions and other information on the past history at this office of investigating and reporting unauthorized disposition of FmHA Chattel Security at any of the following FmHA County Offices:

County	Address	Phone

F. Placing Orders: The FmHA County Supervisor for those counties listed at paragraph E, above, are appointed the Contracting Officer's Representative (COR) and are authorized to:

1. Secure verbal concurrence with the Contractor as to price and time limits for each order.
2. Place orders under this arrangement, after verbal approval from and under total price limitations of the Contracting Officer, or in writing by furnishing a completed and executed order in the format of Exhibit A.
3. Accept or reject report (work) received by appropriate notation on the Contractor's invoice. In the event of rejection, the Contractor will be immediately notified in writing together with specific reasons for rejection. A rejected report will normally be returned to the Contractor for correction/addition.
4. Provide coordination with the Contractor.
5. Provide technical direction to the Contractor for performance of the work hereunder. As used herein, "technical direction" encompasses directions to the Contractor which identify with greater specificity, but within the scope of the work set forth above, the work to be completed under the contract. These directions must be within the general scope of the work set forth above and may not be of such a nature as to constitute an increase in the amount of, or time required for completion of, the work under this contract, or affect any other provisions hereof without prior written approval of the Contracting Officer.
6. Obtain and provide to the Contractor a Commercial Credit Report when required by Section 7 of Form FmHA 455-2.

(NOTE: The Contractor will perform the contracted work without supervision from FmHA personnel.)

SOLICITATION, QUOTATION, PURCHASE ORDER CONTINUATION SHEET NO.

1. ISSUING OFFICE AND RECEIVING OFFICE	2. DATE OF SOLICITATION
3. SOLICITATION NUMBER	

G. Materials Provided by FmHA.

1. The case file for the referenced order shall be available for review at the ordering FmHA County Office during work hours.
2. Required forms shall be provided to the Contractor upon request.

(NOTE: Telephones, desks space, office machines, stationery, automobiles and other personal items WILL NOT be furnished by FmHA.)

H. Protection of Privileged Information. During the course of this contract, the Contractor will be given access to information of a privileged nature. The Contractor shall not disclose or cause to be disclosed such information at any time during or after the term of this contract, and further shall not use the information for any purpose other than investigating and reporting facts relating to the unauthorized disposition of FmHA chattel security.

I. Contractor Identification. The supplier awarded a contract resulting from this solicitation will be issued a Letter of Identification (Exhibit D) for use in public contacts during the term of the contract. Two copies of this letter will be presented to each person at the time of the first visit. One of these copies is to be retained by the person contacted. The other copy of the Letter of Identification is to be acknowledged and returned to the contractor for placement in the borrower's case file. The letter and unissued copies thereof must be returned to the Contracting Officer's Representative at termination or conclusion of the contract.

J. Subcontracts. The Contractor may not enter into subcontracts without the prior written approval of the Contracting Officer.

STATEMENT OF WORK (SPECIFICATIONS)

I. Under the general guidance provided by FmHA Instructions 1962-A, the Contractor will obtain, complete and deliver to FmHA a report of investigation on each order placed under this Blanket Purchase Agreement. The maximum cost and time, as mutually agreed in advance of the order and as indicated in the COR's written order, shall not be exceeded without prior approval of the Contracting Officer.

II. The report of investigation shall be made in original plus three copies and shall contain the following:

1. Narrative Report. The transmittal shall be made by Narrative Report. The Narrative Report shall consist of a brief summary only unless the COR determine that a more detailed Narrative Report is warranted. The Narrative Report shall be signed by the Contractor. The Narrative Report must contain the information which FmHA will need to fill out the Claims Collection Litigation Report.

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USDA-FmHA
Form FmHA 120-11
(1-5-75)

SOLICITATION, QUOTATION, PURCHASE ORDER CONTINUATION SHEET NO. ⁵

1. ISSUING OFFICE AND RECEIVING OFFICE	2. CASE NUMBER	3. DATE OF SOLICITATION
	4. ADVICE NUMBER	5. SOLICITATION NUMBER

2. Form 455-2, "Evidence of Conversion." This form shall be used for each specific conversion. The form shall be fully completed except for block 9 which shall be left blank.

3. Supporting Documents. Supporting documents such as sales receipts, signed statements, bills of sale or other evidence which will support finding will be attached to the Form 455-2.

III. Intermediate Reports. The Contractor will provide a verbal report on the status of the investigation to the COR not less than once weekly.

IV. Testimony. In the event that the Department of Justice requires testimony by the Contractor as relates to a Report of Investigation placed under this BPA and within 2 years of the report, the Contractor agrees to provide such testimony under the payment provisions provided in Paragraph D, above, and the professional fee herein quoted. Payment under this paragraph will be provided by the Department of Justice.

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EXHIBIT A



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

_____, Contractor

Date

Dear _____:

As provided by FmHA Contract No. _____, this order is to investigate the apparent unauthorized disposition of chattel security property owned by:

Borrower's Name: _____
Case Number: _____
Loan Code: _____, nonreasonable.

Borrower's Address:
(Last Known)

The aggregate amount to be paid for this order shall not exceed \$ _____.
The work shall be submitted to the COR not later than the close of business day on _____.

Form FmHA 440-21, "Appraisal of Chattel Property," which is attached, itemizes the chattel for which this investigative report is ordered. This form has been updated to reflect changes in chattel items, including additions and deletions thereof, that this office is aware of since the last appraisal was completed. A copy of the appropriate security instrument(s) is also enclosed.

Contracting Officer's Representative

Encl: a/s

cc:
Contracting Officer



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EVIDENCE OF CONVERSION

(Use separate Form FHA 455-2 for each specific conversion)

NAME OF BORROWER		CASE NO.										
<p>1. On or about the date shown below, the borrower sold the following-described security property, for the amount shown, to the person named as converter:</p> <table border="1"> <tr> <td>DATE SOLD</td> <td>NAME OF CONVERTER</td> </tr> <tr> <td>AMOUNT SOLD FOR OR VALUE OF</td> <td>ADDRESS OF CONVERTER (Street or route number, town, and State)</td> </tr> <tr> <td>\$</td> <td></td> </tr> <tr> <td>AMOUNT APPLIED AS CREDIT ON FHA ACCOUNTS</td> <td></td> </tr> <tr> <td>\$</td> <td></td> </tr> </table>			DATE SOLD	NAME OF CONVERTER	AMOUNT SOLD FOR OR VALUE OF	ADDRESS OF CONVERTER (Street or route number, town, and State)	\$		AMOUNT APPLIED AS CREDIT ON FHA ACCOUNTS		\$	
DATE SOLD	NAME OF CONVERTER											
AMOUNT SOLD FOR OR VALUE OF	ADDRESS OF CONVERTER (Street or route number, town, and State)											
\$												
AMOUNT APPLIED AS CREDIT ON FHA ACCOUNTS												
\$												

DESCRIPTION OF PROPERTY

[illegible]

2. The following information concerning security property described in "1" above was obtained from converter's records:

DATE INFORMATION WAS OBTAINED	
3. On the dates shown below, the borrower admitted that he sold the security property as set forth in "1" hereof	
DATE OF ADMISSION TO SUPER. SOP	NAME OF SUPER. SOP
DATE OF ADMISSION TO THIRD PARTY	NAME AND ADDRESS OF THIRD PARTY
<input type="checkbox"/> SALES RECEIPT ATTACHED <input type="checkbox"/> SIGNED STATEMENT ATTACHED <input type="checkbox"/> VERBAL STATEMENT	

4. On the dates shown below, the converter admitted that he purchased the security property as set forth in "1" below:

DATE OF ADMISSION TO SUPERVISOR	NAME OF SUPERVISOR
DATE OF ADMISSION TO THIRD PARTY	NAME AND ADDRESS OF THIRD PARTY

☐ SALES RECEIPT ATTACHED ☐ SIGNED STATEMENT ATTACHED ☐ VERBAL STATEMENT

*If increase or after-acquired property, indicate by "I" or "A" respectively. If cotton, give gin and compress numbers and weights.

11

ADDRESS (Street or route number, town, and state)

ADDRESS (City, County, State and Zip)

ADDRESS Street or route number, town, and State

Amount of all repayments from sources other than the sale of security since date of conversion:

A. CHATTEL PROPERTY, INCLUDE LIVESTOCK, TRACTORS, EQUIPMENT, AUTOMOBILES, TRUCKS, BANK ACCOUNTS, BONDS, ETC.

NAME: _____

ADDRESS: _____

CITY: _____

STATE: _____

ZIP: _____

TELEPHONE: _____

DATE: _____

SIGNATURE: _____

PRINTED NAME: _____

B. REAL PROPERTY BOTH RURAL AND URBAN. DESIGNATE HOMESTEAD "H."

_____ § _____

3. Converter of security in "1" hereof is ☐ Individual ☐ Partnership ☐ Corporation

1. If a partnership, give the name and address of local manager and of each partner. If a corporation, give name and address of local manager, president and secretary, treasurer and address of home office.

9. Additional information, if any:

(Date)

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EXHIBIT C

(Contractor's Letterhead)

REFERENCE:

Contract Number - _____
 Borrower's Name - _____
 Case Number - _____
 Loan Code - _____, nonrecoverable .
 Date of Order - _____
 Date Submitted - _____

INVOICE DETAIL:

1. Professional fee - \$ (Amount quoted) x Days to nearest 1/2... \$ _____

2. Mileage -

No. of Miles _____ rate per mile \$ _____ \$ _____

3. Per Diem -

Total No. of Average Rate
 Lodging \$ _____ + Nights _____ = Per Night \$ _____

Round to Next Fixed Per Diem
 Dollar \$ _____ + Rate \$ _____ = Rate \$ _____

Per Diem Rate \$ _____ x Per Diem Days _____ =

TOTAL PER DIEM \$ _____

4. Telephone Tolls -

Telephone tolls (Number) \$ _____

5. Total This Account \$ _____

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EXHIBIT D

UNITED STATES DEPARTMENT OF AGRICULTURE

FARMERS HOME ADMINISTRATION

WASHINGTON, D.C. 20250

SUBJECT: _____, Contractor
Farmers Home Administration, USDA

TO: Public

This letter will introduce _____ name _____, who
has been awarded a contract for the period _____, through
_____ for the purpose of investigating the unauthorized
disposition of Farmers Home Administration (FmHA) chattel security.

This contractor may receive and record information relating to disposition of
the chattel security. This contractor is contractually bound by the same
requirement of information confidentially as are Government employees.

This contractor will report the findings of the investigation to Farmers Home
Administration. ALL FINAL DECISIONS REGARDING THE USE OF THE INVESTIGATION
REPORT are made only by Farmers Home Administration employees.

Contractor Signature

FmHA Contracting Officer

Date: _____

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CLAIMS COLLECTION LITIGATION REPORT

To:	Fm:
Attention Claims Collection Unit	
Re:	<p>\$ Is the total principal due.</p> <p>\$ Is the total interest due.</p> <p>\$ Is the total administrative charges due.</p> <p>\$ Is the total penalty charges due.</p> <p>\$ Is the total amount due.</p> <p>\$ Is the annual interest rate.</p> <p>\$ Is the SOL date.</p>

This claim is referred to you for suit and such other action as you deem appropriate to enforce collection. The prior action taken by this agency and the information provided you complies fully with Federal Claims Collection Standards (4 CFR Parts 101-105). The documentation required by 4 CFR Parts 101-105 is attached and the information you have requested follows.

THE DEBTOR

1. Date of Birth:	2. Social Security Number:
3. Also known as:	4. Name used on note/application:
5. Present <u>residence</u> :	6. Residence verified by/when:
	7. Present phone number:
8. Phone number verified by/when:	9. Debtor locator (skiptracing) information:

THE CLAIM

10. Basis of claim or cause of action:

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11. Statute or limitations (year/month/day):	12. Basis for suit filed:
13. First demand for payment made on:	14. First demand made by:
15. Method of first demand:	16. Last demand for payment made on:
17. Last demand made by:	18. Method of last demand:
19. Debtor's response:	20. Does debtor dispute claim:
21. Response, if any, to debtor's dispute:	22. Exhaustion of administrative remedies:
23. Compromise offered or elicited: \$	24. Basis for compromise:
25. Response by agency or debtor:	26. Others legally responsible for debt:
27. Basis of liability by other parties:	

ACCOUNT INFORMATION

28. Certification of indebtedness: \$ as of	29. Original principal owed by debtor: \$
30. Total number/amount of payments made/credits:	31. Amount applied to principal: \$
32. Amount applied to charges assessed, penalties and interest: \$	33. Balance due on principal: \$
34. Balance due on charges assessed, penalties and accrued interest: \$	35. Explain application of payments:
36. Debtor's last payment: \$	37. Interest accrual date:

DEBTOR'S EMPLOYMENT

38. Present employment:	39. Employment verified:
	40. Debtor's salary: \$
41. Salary verified:	42. Spouse's employment:
43. Spouse's employment verified:	

DEBTOR'S ABILITY TO PAY

44. Having due regard for the exemptions to which the debtor is entitled under state and Federal law, the debtor's age and health, present and potential income, inheritance prospects, and the possibility that assets have been concealed or improperly transferred, the current credit report or financial statement attached (or other information found in the attached file) discloses the present or likely future availability of assets or income from which a substantial sum may be obtained by enforced collection proceedings:

45. The following information will assist you in locating property in which the United States has a secured interest:

46. The following information will assist you in locating other assets of the debtor:

VALUE OF CLAIM

47. If discounted or sold in commerce, the fair market or asset value of this claim would be:
\$

48. With due regard to the debtor's ability to pay, as defined by question 41, above, a reasonable and acceptable compromise offer by the debtor would be:
\$

TRANSFER OR DIRECT DEPOSIT OF FUNDS

49. Accounting officer:	50. Agency accounting/dispersing officer code/symbol/number:
	51. Treasury designated appropriation symbol:

Attachments as listed:

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SUPPLEMENTAL SHEET FOR DETAILED ANSWERS

Indicate item numbers to which the answers apply.

If more space is required, use full sheets of paper the same size as this page. Attach all sheets behind page 5.

GENERAL PROVISIONS

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1 INSPECTION AND ACCEPTANCE—Inspection and acceptance will be at destination, unless otherwise provided. United delivery and acceptance, and after any rejections, risk of loss will be on the Contractor unless loss results from negligence of the Government.

2 VARIATION IN QUANTITY—No variation in the quantity of any item called for by this contract will be accepted unless such variation has been caused by conditions of loading, shipping, or packing, or allowances in manufacturing processes, and then only to the extent, if any, specified elsewhere in this contract.

3 DISCOUNTS—Discount time will be computed from date of delivery at place of acceptance or from receipt of correct invoice at the office specified by the Government, whichever is later. Payment is made for discount purposes when check is mailed.

4

Dispute Clause:

(a) This contract is subject to the Contract Disputes Act of 1978 (Pub. L. 95-402).

(b) Except as provided in the Act, all disputes arising under, or relating to this contract shall be resolved in accordance with this clause.

(c) (i) As used herein, "claim" means a written demand or assertion by one of the parties seeking, as a legal right, the payment of money, adjustment or interpretation of contract terms, or other relief arising under or relating to this contract.

(ii) A voucher, invoice, or request for payment that is not a dispute when submitted is not a claim for the purposes of the Act. However, where such submission is subsequently not acted upon as a reasonable time, or dropped either as to liability or amount, it may be converted to a claim pursuant to the Act.

(iii) A claim by the contractor shall be made in writing and submitted to the contracting officer for decision. A claim by the Government against the contractor shall be subject to a decision by the Contracting Officer.

(iv) For contractor claims of more than \$25,000, the contractor shall submit with the claim a certification that the claim is made in good faith, the supporting data are accurate and complete to the best of the contractor's knowledge and belief, and the amount requested accurately reflects the contract adjustment for

which the contractor believes the Government is liable. The certification shall be executed by the contractor if an individual. When the contractor is not an individual, the certification shall be executed by a senior company official in charge of the contractor's plant or business involved, or by an officer or general partner of the contractor having overall responsibility for the conduct of the contractor's affairs.

(v) For contractor claims of \$25,000 or less, the Contracting Officer must render a decision within 90 days. For contractor claims in excess of \$25,000, the Contracting Officer must decide the claim within 90 days or notify the contractor of the date when the decision will be made.

(vi) The Contracting Officer's decision shall be final unless the contractor appeals or files a suit as provided in the Act.

(vii) The authority of the Contracting Officer under the Act does not extend to claims or disputes which by statute or regulation other agencies are expressly authorized to decide.

(viii) Interest on the amount found due as a contractor claim shall be paid from the date the claim is received by the Contracting Officer until the date of payment.

(ix) Except on the parties may otherwise agree, pending final resolution of a claim by the contractor arising under the contract, the contractor shall proceed diligently with the performance of the contract in accordance with the contracting officer's decision.

Department of Labor—Except to the extent that an exemption, variation, or variance would apply pursuant to 29 CFR 4.6 if this were a contract in excess of \$2500, the contractor and any subcontractor hereunder shall pay all of his employees engaged in performing work on the contract not less than the minimum wage specified under section 5(a)(1) of the Fair Labor Standards Act of 1938 as amended. All regulations and interpretations of the Service Contract Act of 1965 expressed in 29 CFR Part 4 are hereby incorporated by reference in this contract.

11 CHANGES—The Contracting Officer may at any time, by a written order, and without notice to the sureties, make changes within the general scope of this contract, in any one or more of the following: (1) for supplies: (a) drawings, designs, or specifications, where the supplies to be furnished are to be specially manufactured for the Government in accordance therewith; (b) method of shipment or packing; and (c) place of delivery; (ii) for services, including but not limited to the following: (a) specifications (including drawings and designs); (b) method or manner of performance of the work; (c) Government-furnished facilities, equipment, materials, services, or site; or (d) directing acceleration in the performance of the work. If any such change causes an increase or decrease in the cost of, or the time required for the performance of any part of the work under this contract, whether changed or not changed by any such order, an equitable adjustment shall be made in the contract price or delivery schedule, or both, and the contract shall be modified in writing accordingly. Any claim by the Contractor for adjustment under this clause must be asserted within 30 days from the date of receipt by the Contractor of the notification of change. Provided, however, that the Contracting Officer, if he decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this contract. Where the cost of property made obsolete or excess as a result of a change is included in the Contractor's claim for adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of such property. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes." However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

12 TERMINATION FOR DEFAULT—The Contracting Officer, by written notice, may terminate the contract in whole or in part, for failure of the Contractor to perform any of the provisions hereof. In such event the Contractor shall be liable for damages, including the excess cost of procuring similar supplies or services, provided that: (i) it is determined for any reason that the Contractor was not in default; or (ii) the Contractor's failure to perform is without his and his subcontractor's control, fault, or negligence. The termination shall be a termination for convenience under paragraph 13.

13 TERMINATION FOR CONVENIENCE—The Contracting Officer, by written notice, may terminate this contract in whole or in part, when it is in the best interest of the Government. If this contract is for supplies and is so terminated, the Contractor shall be compensated in accordance with Part 1-8 of the Federal Procurement Regulations (41 CFR 1-8) in effect on this contract's date. To the extent that this contract is for services and is so terminated, the Government shall be liable only for payment in accordance with the payment provisions of this contract for services rendered prior to the effective date of termination.

14 ASSIGNMENT OF CLAIMS—Claims for monies due or to become due under this contract shall be assigned only pursuant to the Assignment of Claims Act of 1940 as amended (31 U.S.C. 203, 41 U.S.C. 15). This contract may not be assigned unless or until the supplier has been requested to and has accepted this order by executing an Acceptance hereon.

15 CLAUSES INCORPORATED BY REFERENCE—If the amount of this purchase order exceeds \$2,500, the following clauses form a part of the purchase order and are hereby incorporated by reference. Citations refer to the Federal Procurement Regulations. Text of the clauses may be obtained from the Contracting Officer:

Employment of the Handicapped (1-12 1304)
Contract Work Hours and Safety Standards Act (1-12 303)
Service Contract Act of 1965 (1-12 904-1) (when applicable this clause takes precedence over paragraph 10 above).

*U.S.GPO:1979-0-885-011/1874

6 FOREIGN SUPPLIES—This contract is subject to the Buy American Act (41 U.S.C. 101-4) as implemented by Executive Order 10582 of December 17, 1954, and any restrictions in appropriation acts on the procurement of foreign supplies.

8 CONVICT LABOR—In connection with the performance of work under this contract, the Contractor agrees not to employ any person undergoing sentence of imprisonment except as provided by Public Law 89-176, September 10, 1965 (18 U.S.C. 4082(c)(2)) and Executive Order 11755, December 29, 1973.

7 OFFICIALS NOT TO BENEFIT—No member of or Delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

8 COVENANT AGAINST CONTINGENT FEES—The Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon any agreement or understanding for a commission, percentage, brokerage, or contingent fees, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor for the purpose of securing business. For breach or violation of this warranty the Government shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fees.

9 FEDERAL, STATE, AND LOCAL TAXES—Except as may be otherwise provided in this contract, the contract price includes all applicable Federal, State and local taxes and duties in effect on the date of this contract but does not include any taxes from which the Government, the Contractor or this transaction is exempt. Upon request of the Contractor, the Government shall furnish a tax exemption certificate or similar evidence of exemption with respect to any such tax not included in the contract price pursuant to this clause. For the purpose of this clause, the term "date of this contract" means the date of the contractor's quotation or, if no quotation, the date of this purchase order.

10 SERVICE CONTRACT ACT OF 1965—(applies only to contracts for services unless exempted by the regulations of the

live increases in wages and fringe benefits provided for under such agreement. No Contractor or subcontractor under this contract may be relieved of the foregoing obligation unless the Secretary of Labor or his authorized representative determines that the collective bargaining agreement and applicable service employees employed under the predecessor contract was not entered into as a result of arm's length negotiations or that, after a hearing as provided in Regulations of Labor regulations, 29 CFR 1.121, that the wages and fringe benefits provided for in such agreement are substantially at variance with those which prevail for services of a similar character in the locality.

(f) **Notification to employees.** The Contractor and any subcontractor under this contract shall notify each service employee commencing work on this contract of the minimum wage and any fringe benefits required to be paid pursuant to this contract, or shall post a notice of such wages and benefits in a prominent and accessible place at the worksite, using such poster as may be provided by the Department of Labor.

(g) **Safe and sanitary working conditions.** The Contractor or subcontractor shall not permit any part of the services called for by this contract to be performed in buildings or surroundings or under working conditions provided by or under the control or supervision of the Contractor or subcontractor which are unsanitary or hazardous or dangerous to the health or safety of service employees engaged to furnish these services, and the Contractor or subcontractor shall comply with the safety and health standards applied under 29 CFR Part 1925.

(h) **Records.** The Contractor and each subcontractor performing work subject to the Act shall make and maintain for 3 years from the completion of the work records containing the information specified in subparagraphs (1) through (5) of this paragraph for each employee subject to the Act and shall make them available for inspection and transcription by authorized representatives of the Employment Standards Administration (ESA), Department of Labor.

(1) His name and address.

(2) His work classification or classifications, rate or rates of monetary wages and fringe benefits provided, rate or rates of fringe benefit payments in lieu thereof, and total daily and weekly compensation.

(3) His daily and weekly hours so worked.

(4) Any deductions, rebates, or refunds from his total daily or weekly compensation.

(5) A list of monetary wages and fringe benefits for those classes of service employees not included in the minimum wage attachment to this contract, but for which such wage rates or fringe benefits have been determined by the interested parties or by the Administrator (as defined in 41 CFR 1-13.902-2(c)) or his authorized representative pursuant to the Labor Standards Clause in paragraph (a) of this clause. A copy of the report required in paragraph (m)(1) of this clause shall be deemed to be such a list.

(i) **Withholding of payment and termination of contract.** The Contracting Officer

shall withhold or cause to be withheld from the Government Prime Contractor under this or any other Government contract with the prime Contractor such sums as he, or an appropriate officer of the Department of Defense, may determine to be necessary to pay any claims of employees. Additionally, any failure to comply with the requirements of this clause relating to the Service Contract Act of 1945 may be grounds for termination of the right to proceed with the contract work. In such event, the Government may enter into other contracts or arrangements for completion of the work, charging the Contractor in default with any additional cost.

(j) **Subcontractors.** The Contractor agrees to insert this clause relating to the Service Contract Act of 1945 in all subcontracts. The term "Contractor" as used in this clause in any subcontract, shall be deemed to refer to the subcontractor, except in the term "Government Prime Contractor."

(k) **Service employee.** As used in this clause relating to the Service Contract Act of 1945, as amended, the term "service employee" means any person engaged in the performance of a contract entered into by the United States and not exempted under section 7, whether negotiated or advertised, the principal purpose of which is to furnish services in the United States (other than any person employed in a bona fide executive, administrative, or professional capacity, as those terms are defined in Part 541 of Title 29, Code of Federal Regulations, as of July 30, 1975, and any subsequent revision of those regulations), and shall include all such persons regardless of any contractual relationship that may be alleged to exist between a contractor or subcontractor and such persons.

(l) **Comparable rates.** The following classes of service employees expected to be employed under the contract with the Government would be subject, if employed by the contracting agency, to the provisions of 5 U.S.C. §341 and would, if so employed, be paid not less than the following rates of wages and fringe benefits:

Employee class: _____
Monetary wage—fringe benefits: _____

(m) **Contractor's report.** (1) If there is a wage determination attachment to this contract and one or more classes of service employees which are not listed thereon are to be employed under the contract, the Contractor shall report to the Contracting Officer the monetary wages to be paid and the fringe benefits to be provided each such class of service employee. Such report shall be made promptly as soon as such compensation has been determined, as provided in paragraph (a) of this clause.

(2) If wages to be paid or fringe benefits to be furnished any service employees employed by the Government Prime Contractor or any subcontractor under the contract are provided for in a collective bargaining agreement which is or will be effective during any period in which the contract is being performed, the Government Prime Contractor shall report such fact to the